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THE AGRICULTURAL SITUATION

A Brief Summary of Economic Conditions

ISSUED MONTHLY BY THE BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

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A LATE BUT PRODUCTIVE SEASON

In spite of floods and local setbacks the mild fall weather brought the general yield of crops up above the 10-year average. Thus did it make up for a late spring. However, crop production is slightly below last year. Production per capita is 5.7 per cent below the 10-year average.

The preliminary estimates of last month indicated that the favorable fall had brought corn up to an average crop and potatoes to more than an average, while smaller loss than usual had left somewhat more cotton for harvest than had been anticipated. The corn crop is estimated as three-quarters of merchantable quality, which is slightly above last year's figure but around 5 per cent below the average. This crop is of excellent quality in the western Corn Belt but not so good in the eastern belt.

The total supply of corn is apparently some 30,000,000 bushels greater than last year, figuring differences in current crop and stocks on hand November 1. The crops of barley and grain sorghums are also larger but are offset by less oats. With slightly more corn and a record hay crop, however, the total supply of feedstuffs appears to be larger than last year. This is favorable to livestock producers once more, although growers who depend on selling corn or hay as cash crops are not feeling so good over their prices.

The course of cattle and lamb feeding seems to differ somewhat from last year. All reports indicate that fewer cattle will be fed out this season than last, both in the Corn Belt and in the far West. The stockyards inspections showed a late summer movement of stocker and feeder cattle into the Corn Belt one-fifth less than last year and the smallest in 10 years.

In the case of lambs, the inspections recorded some 300,000 fewer head than last year going into Corn Belt feed lots. However, Colorado and western Nebraska will feed probably double the number of last season. This reverses the situation of a year ago but puts the regional lamb-feeding operations back into a more accustomed distribution. Incidentally, it has some probable meaning for the lamb market this season, the natural expectation being for smaller supplies than last year to come in during December and January but more lambs from February to May.

The general course of prices of farm products has been slightly downward recently, due especially to declines in corn, wheat, potatoes, and cotton. At the same time other commodities have also declined slightly, so that the index of purchasing power of farm products in terms of nonagricultural commodities, during October, remained at 92 per cent of pre-war.

KEY REGIONS AT A GLANCE

The East.—Weather has been generally favorable for fall work, including corn husking and considerable fall plowing. This, of course, excepts the local areas hit by floods and storms. Wheat is showing good stands. Pastures held out to a fairly late date. Potatoes have been moving to market in volume; they show considerable rot in some sections and at lower prices will probably not make as much money for growers as last year. The dairy situation continues favorable with a good market for milk and an outlook for moderate feed prices.

The South.—Hindered in east by drought which made fitting of soil difficult and germination and growth of winter crops very poor. Same condition to some extent in Texas. Middle States more favored. Cotton picking nearing end. Corn mostly husked. Harvest of cane, sweet potatoes, peanuts, sorghums likewise completed. Winter grains and truck crops vary widely in condition according to rainfall. General condition of South apparently improved over last year.

Corn Belt.—Corn husking well along but cribbing has been held up by the high moisture content of the grain. Quality of corn extremely variable—much of it unusually fine in Nebraska and Kansas but much soft in eastern belt, where some corn will not even make feed. Corn Belt apparently feeding markedly fewer cattle and lambs than last year. Hog prices substantially below last year. This fact, together with the rather depressing corn situation, leaves the eastern part of the region in poorer position, perhaps, than last year.

Wheat Belt.—Winter wheat shows good stands in eastern Kansas and Nebraska but has been badly in need of rain in the western sections. Been too dry also in parts of Oklahoma and Texas. Considerable area of wheat thus going into winter with stands fair to poor. Harvest of corn and supplementary crops being wound up; in the north winter weather halted field work some time ago. General conditions in Wheat Belt best in five or six years in the north; not greatly different from last year in south.

Range country.—Going into winter, for the most part, with an abundance of feed and with stock in excellent condition. Some dry areas in southern New Mexico where feed is short, but these are the exception. Cattle industry shows every evidence of stimulation; restocking ranges, cows high priced, good income from this fall's shipments of both feeder and slaughter stock. Sheep industry likewise optimistic. Western feeding areas running twice as many lambs as last year; Colorado, for example, feeding 700,000 head more. Whole picture of conditions in mountain States a favorable one.

Pacific coast.—Late harvest further delayed by heavy rains last month as far south as the Sacramento Valley. Some sowing of winter wheat held up in north for same reason; likewise some damage to beets and potatoes unharvested in north and to rice and beans in south. The rains benefited pastures, however, and winter grain where it was well started. Weather favorable in southern California.

THE TREND OF CROP PRODUCTION

	1913 produc- tion	5-year av., 1922- 1926 pro- duction	1926 produc- tion	1927 Novem- ber 1 esti- mate
	<i>Millions</i>	<i>Millions</i>	<i>Millions</i>	<i>Millions</i>
Winter wheat.....bushels--	523	556	627	553
Spring wheat.....do-----	240	252	205	314
All wheat.....do-----	763	808	833	867
Corn.....do-----	2, 447	2, 767	2, 647	2, 753
Oats.....do-----	1, 122	1, 352	1, 250	1, 206
Barley.....do-----		193	188	265
Buckwheat.....do-----	14	14	13	17
Flaxseed.....do-----	18	20	19	24
Potatoes, white.....do-----	332	394	356	400
Sweet potatoes.....do-----	59	81	84	94
Tobacco.....pounds--	954	1, 338	1, 301	1, 190
Peanuts.....do-----		670	627	918
Rice.....bushels-----	25. 7	36	41	39
Cotton.....bales-----	14	13. 5	18	12. 84
Hay, all.....tons-----	64	91	86	104
Apples, total.....bushels--	145	199	246	119
Apples, commercial...barrels--		34	39	24
Peaches.....bushels-----		54	70	46
Sugar beets.....tons-----		6. 8	7. 2	7. 8
Beans, dry.....bushels-----		16	17	18
Grain sorghums.....do-----		121	139	163

Temperatures during October averaged about 3° above normal, making it the warmest October since 1918. Frosts and freezes were delayed far beyond their usual date and in only a few sections was October rainfall so heavy as to interfere seriously with harvesting operations.

As a result prospects for corn, potatoes, sweet potatoes, buckwheat, flaxseed, rice, grain sorghums, sugar beets, tobacco, peanuts, grapes, pears, and some late vegetables substantially improved during that month. Apples, however, failed to reach the expected size and prospects have declined about 3 per cent.

The yield per acre of all crops combined now appears to have been 2.4 per cent above the average during the last 10 years. However, crop production is about 3 per cent less than it was last year as yields are lower and a smaller acreage has been grown.

The per capita production of these crops this season is estimated to be 4 per cent less than it was last year, and 5.7 per cent less than the average per capita production during the last 10 years.

The amount of corn remaining on farms in the United States on November 1, 1927, was estimated at 4.2 per cent of the crop of 1926, or about 111,068,000 bushels, as compared with 183,015,000 bushels on November 1, 1926, and 120,967,000 bushels, the average of stocks of corn on November 1 for the five years 1922-1926.

AVERAGE PRICES OF FARM PRODUCTS RECEIVED BY PRODUCERS

Actual prices received by producers at local farm markets as reported to the division of crop and livestock estimates of this bureau. Average of reports covering the United States, weighted according to relative importance of district and State.

	5-yr. av. Aug. 1909- July, 1914	October average 1910- 1914	October, 1926	Septem- ber, 1927	October, 1927
Cotton, per lb.....cents--	12. 4	12. 1	11. 7	22. 5	21. 0
Corn, per bu.....do-----	64. 2	64. 8	74. 5	95. 3	87. 6
Wheat, per bu.....do-----	88. 4	88. 1	121. 4	119. 2	113. 7
Hay, per ton.....dollars--	11. 87	11. 49	13. 08	10. 51	10. 63
Potatoes, per bu.....cents--	69. 7	65. 0	126. 4	107. 4	97. 9
Oats, per bu.....do-----	39. 9	38. 4	39. 0	43. 9	44. 6
Beef cattle, per 100 lbs.dollars--	5. 22	5. 09	6. 43	7. 42	7. 55
Hogs, per 100 lbs.....do-----	7. 23	7. 37	12. 06	9. 78	10. 16
Eggs, per doz.....cents--	21. 5	23. 7	36. 8	29. 4	35. 6
Butter, per lb.....do-----	25. 5	26. 1	41. 8	41. 7	43. 4
Butterfat, per lb.....do-----			42. 4	41. 6	44. 4
Wool, per lb.....do-----	17. 7	16. 9	31. 6	31. 2	30. 9
Veal calves, per 100 lbs.dollars--	6. 75	6. 80	10. 29	10. 78	11. 04
Lambs, per 100 lbs.....do-----	5. 91	5. 35	11. 31	11. 14	11. 22
Horses, each.....do-----	142. 00	140. 00	77. 00	78. 00	76. 00

The farm price of corn dropped during the period from September 15 to October 15, due largely to the marked improvement of the crop prospects. This improvement resulted from the unusually favorable weather conditions to the middle of October which reduced the danger of frost damage except in very late-planted corn. The October 1 estimate of corn production brought the prospective crop up to within 1.6 per cent of the 1926 production.

The rise in the farm price of cotton from August 15 to September 15, which was unusually large, was not continued during the period from September 15 to October 15. On the contrary, the farm price during the latter period declined 1.5 cents. The favorable weather up to October 1 apparently exerted the greatest influence upon the price decline during the month.

The farm price of potatoes declined, due largely to the prospective size of the crop. Although the October 1 estimate of production indicated a further reduction, the indicated crop is still 11 per cent above last year's low production and a little above the five-year average.

Beef-cattle prices continued to rise during the month. The farm price this month has not been equaled since October, 1920. The price advance was due to light seasonal market receipts which have been considerably under last year and the smallest in six years.

The rise in the farm price of hogs from September 15 to October 15 was largely due to a considerable falling off in marketings. Receipts of hogs at 11 markets dropped considerably below last year. This decrease in receipts was due largely to improved prospects for corn and lower corn prices. The corn-hog ratio for the United States at 11.6 is 1.3 points above last month, while the Iowa ratio rose 1.5 points to 12.2. The United States ratio October 15 was 2.2 points above June 15.

PRICE INDEXES FOR OCTOBER, 1927

Farm-products figures from this bureau; commodity groups from Bureau of Labor Statistics (latter shown to nearest whole number). Shows year ago and latest available month.

Farm Products

[Prices at the farm; August, 1909-July, 1914=100]

	October, 1926	September, 1927	October, 1927	Month's trend
Cotton.....	94	181	169	Lower.
Corn.....	116	148	136	Do.
Wheat.....	137	135	129	Do.
Hay.....	110	89	90	Higher.
Potatoes.....	181	154	140	Lower.
Beef cattle.....	124	143	145	Higher.
Hogs.....	167	135	140	Do.
Eggs.....	171	137	166	Do.
Butter.....	164	164	170	Do.
Wool.....	178	175	174	Lower.

Commodity Groups

[Wholesale prices; 1910-1914=100]¹

	October, 1926	September, 1927	October, 1927	Month's trend
Farm products.....	139	153	153	Unchanged.
Food, etc.....	151	149	152	Higher.
Cloths and clothing.....	175	182	182	Unchanged.
Fuel and lighting.....	214	184	183	Lower.
Metal and metal products.....	136	127	126	Do.
Building materials.....	177	164	163	Do.
Chemicals, etc.....	128	121	121	Unchanged.
House-furnishing goods.....	166	163	163	Do.
All commodities.....	152	152	153	Higher.

¹ Bureau of Labor Statistics index numbers converted to 1910-1914 base.

RELATIVE PURCHASING POWER

[At October, 1927, farm prices; August, 1909–July, 1914=100]

In terms of—	Of a unit of—				
	Cotton	Corn	Wheat	Hay	Pota- toes
All commodities-----	111	89	84	59	92
Cloths, etc-----	93	75	71	49	77
Fuel, etc-----	93	75	70	49	77
Metals, etc-----	134	108	102	71	111
Building materials-----	104	84	79	55	86
House-furnishing goods-----	104	83	79	55	86

In terms of—	Beef cattle	Hogs	Eggs	Butter	Wool
All commodities-----	95	92	108	111	114
Cloths, etc-----	80	77	91	93	95
Fuel, etc-----	79	77	91	93	95
Metals, etc-----	115	111	131	135	137
Building materials-----	89	86	102	104	107
House-furnishing goods-----	89	86	101	104	106

Four of the principal crops of the country—cotton, corn, wheat, and potatoes—declined in relative price and consequently in unit purchasing power during October. Cotton declined 8 points, wheat 5, while corn and potatoes each declined 9 points.

Among the important livestock products, cattle advanced 1 point in purchasing power during the month, hogs 3 points, eggs 18 points, and butter 1 point. Wool declined 1 point.

The advance in egg prices was in line with the usual seasonal trend but in the case of hogs the usual trend is downward at this season.

The general picture during this important season when things are moving to market is of major cash crops (except wheat) and livestock products in fairly advantageous exchange position, with the feed crops relatively cheap. This is a reflection of the good balance attained in production this season.

Notwithstanding that the declines in crop prices brought the general level of farm products down slightly from the previous month, there was likewise a slight decline in nonagricultural commodities. In consequence, the general unit exchange position did not suffer. The general index of purchasing power of farm products in terms of nonagricultural commodities remained at 92, the five pre-war years being considered as 100.

GENERAL BUSINESS INDICATORS RELATED TO AGRICULTURE

	Octo- ber, 1926	Sep- tember, 1927	Octo- ber, 1927	Month's trend
PRODUCTION				
Pig iron, daily (thousand tons)-----	108	92	90	Decrease.
Bituminous coal (million tons)-----	54	42	44	Increase.
Steel ingots (thousand long tons)-----	4, 074	3, 232	3, 289	Do.
CONSUMPTION				
Cotton, by mills (thousand bales)-----	568	627	613	Decrease.
Unfilled orders, Steel Corporation (thousand tons)-----	3, 684	3, 148	3, 341	Increase.
Building contracts in 27 northeastern States (million dollars)-----	451	449	503	Do.
Hogs slaughtered (thousands)-----	1, 933	1, 512	1, 883	Do.
Cattle slaughtered (thousands)-----	1, 356	1, 085	1, 291	Do.
Sheep slaughtered (thousands)-----	999	1, 101	1, 148	Do.
MOVEMENTS				
Bank clearings (New York) (billion dollars)-----	24	27	27	Unchanged.
Car loadings (thousands)-----	5, 968	4, 360	5, 588	Increase.
Mail-order sales (million dollars)-----	47	41	51	Do.
Employees, New York State factories (thousands)-----	506	484	485	Do.
Average price 25 industrial stocks (dollars)-----	165	243	233	Decrease.
Interest rate (4-6 months' paper, New York) (per cent)-----	4. 50	4. 31	4. 28	Do.
Retail food price index (Department of Labor) ¹ -----	160	154	156	Higher.
Wholesale price index (Department of Labor) ¹ -----	150	149	150	Do.

¹ 1913=100.

There has been some recession in business this summer and fall but just why or even how it has taken place seems not clear to many observers. The country seems blessed with most of those fundamental requisites which keep a community active and prosperous.

The main thing which everyone is interested in is what is to happen next. As usual, the pessimist is on hand. He comes to his conclusions after viewing the possibilities of overextended installment buying, the slump in various corporate earnings, the slackness in certain lines of building, the recent declines in the security market, and so on.

Then there is the optimist who is more disposed to see the strong credit situation, the absence of surplus stocks of commodities, improvement in agricultural conditions, a probable revival of automobile production and all allied lines, and so on.

If the truth lies in the middle ground the most probable thing would seem to be that the industrial community will continue upon a reasonably flourishing course for the near future and that any startling changes in demand such as would necessitate a shift in farmers' production plans will give more warning before they actually come to pass.

GENERAL TREND OF WAGES AND PRICES

[1910-1914=100]

Year and month	General wage level ¹	Farm wages ²	Retail price of food ³	Wholesale price of food ³	Wholesale price, all commodities ⁴
1910.....	-----	97	96	100	103
1911.....	-----	97	95	96	95
1912.....	-----	101	101	103	101
1913.....	-----	104	103	99	102
1914.....	⁵ 100	101	106	101	100
1915.....	101	102	104	104	103
1916.....	114	112	117	120	129
1917.....	129	140	151	166	180
1918.....	160	176	174	187	198
1919.....	185	206	192	205	210
1920.....	222	239	210	218	230
1921.....	203	150	158	143	150
1922.....	197	146	146	137	152
1923.....	214	166	151	143	156
1924.....	218	166	150	143	152
1925.....	223	168	162	156	162
1926.....	229	171	166	152	154
October:					
1921.....	193	-----	158	139	144
1922.....	202	-----	147	139	157
1923.....	218	174	155	148	156
1924.....	217	171	153	150	155
1925.....	225	173	167	156	160
1926					
October.....	231	176	165	151	152
November.....	230	-----	167	150	151
December.....	232	-----	167	150	150
1927					
January.....	232	162	164	149	150
February.....	231	-----	161	147	149
March.....	234	-----	159	146	148
April.....	230	166	158	146	147
May.....	230	-----	160	147	147
June.....	230	-----	163	145	146
July.....	228	172	158	144	147
August.....	231	-----	157	145	149
September.....	233	-----	159	149	152
October.....	233	175	161	152	153

¹ Average weekly earnings, New York State factories.² Index based on both monthly and daily wages.³ Bureau of Labor Statistics index numbers converted to 1910-1914 base.⁴ Bureau of Labor Statistics.⁵ June.

GENERAL TREND OF PRICES AND PURCHASING POWER

[On 5-year base, August, 1909–July, 1914=100]

Year and month	Index numbers of farm prices							Wholesale prices of nonagricultural commodities ¹	Relative purchasing power of farmer's product ²
	Grains	Fruits and vegetables	Meat animals	Dairy products	Poultry products	Cotton and cotton-seed	All groups, 30 items		
1910-----	104	91	103	100	104	113	103	102	101
1911-----	96	106	87	97	91	101	95	96	99
1912-----	106	110	95	103	101	87	99	100	99
1913-----	92	92	108	100	101	97	100	105	95
1914-----	103	100	112	100	105	85	102	97	105
1915-----	120	83	104	98	103	78	100	101	99
1916-----	126	123	120	102	116	119	117	138	85
1917-----	217	202	173	125	157	187	176	182	97
1918-----	226	162	202	152	185	245	200	188	107
1919-----	231	189	206	173	206	247	209	199	105
1920-----	231	249	173	188	222	248	205	241	85
1921-----	112	148	108	148	161	101	116	167	69
1922-----	105	152	113	134	139	156	124	168	74
1923-----	114	136	106	148	145	216	135	171	79
1924-----	129	124	109	134	147	211	134	162	83
1925-----	156	160	139	137	161	177	147	165	89
1926-----	129	189	146	136	156	122	136	161	85
October—									
1920-----	193	150	169	190	243	175	178	237	75
1921-----	94	162	98	146	180	150	120	159	75
1922-----	101	101	113	136	159	168	123	176	70
1923-----	113	123	106	153	165	221	134	165	82
1924-----	150	109	121	130	176	182	138	158	87
1925-----	135	152	141	146	175	171	143	164	87
1926-----	123	136	148	134	173	94	130	160	81
1927									
June-----	140	201	129	132	102	119	130	150	86
July-----	139	195	131	130	112	125	130	151	87
August-----	138	172	136	129	122	136	132	151	88
September....	134	145	142	135	143	179	140	152	92
October-----	128	138	145	139	167	169	139	151	92

¹ Computed by Bureau of Labor Statistics from wholesale prices of all commodities except those from United States farms. 1910–1914=100.

² The value of a unit of the farmer's product in exchange for nonagricultural products at wholesale prices, compared with pre-war values. Obtained by dividing index of all groups (30 items) by the index of the wholesale prices of nonagricultural products.

THE TREND OF MOVEMENT TO MARKET

Figures show wheat, corn, hogs, cattle, sheep receipts at primary markets; butter receipts at five markets, compiled by this bureau.

Year and month	Receipts					
	Wheat	Corn	Hogs	Cattle	Sheep	Butter
Total—	<i>1,000 bushels</i>	<i>1,000 bushels</i>	<i>1,000</i>	<i>1,000</i>	<i>1,000</i>	<i>1,000 pounds</i>
1920.....	332, 314	210, 332	42, 121	22, 197	23, 538	402, 755
1921.....	435, 606	340, 908	41, 101	19, 787	24, 168	468, 150
1922.....	413, 106	378, 598	44, 068	23, 218	22, 364	526, 714
1923.....	386, 430	271, 858	55, 330	23, 211	22, 025	545, 380
1924.....	482, 007	278, 719	55, 414	23, 695	22, 201	587, 477
1925.....	346, 381	223, 604	43, 929	24, 067	22, 100	574, 489
1926.....	362, 876	234, 873	39, 772	23, 872	23, 868	572, 935
October—						
1920.....	43, 823	18, 434	2, 789	2, 209	3, 027	27, 685
1921.....	42, 014	34, 502	3, 214	2, 311	3, 042	37, 548
1922.....	49, 097	28, 651	3, 682	2, 936	3, 311	34, 288
1923.....	38, 380	16, 541	4, 816	2, 802	3, 465	38, 272
1924.....	84, 858	18, 877	3, 990	2, 737	3, 295	41, 949
1925.....	34, 111	12, 187	3, 390	2, 789	3, 198	43, 468
1926						
July.....	68, 200	13, 353	2, 854	1, 821	1, 739	68, 393
August.....	67, 952	11, 513	2, 804	1, 997	2, 277	50, 476
September.....	46, 266	13, 740	2, 819	2, 397	3, 279	44, 761
October.....	35, 124	28, 613	3, 261	2, 674	3, 090	38, 166
November.....	28, 229	22, 587	3, 554	2, 460	1, 917	34, 180
December.....	19, 831	22, 528	3, 910	1, 846	1, 706	36, 054
1927						
January.....	19, 379	23, 658	4, 252	1, 832	1, 740	37, 705
February.....	19, 462	24, 499	3, 308	1, 555	1, 496	38, 375
March.....	17, 504	18, 535	3, 754	1, 743	1, 558	45, 210
April.....	13, 680	10, 445	3, 142	1, 674	1, 486	48, 279
May.....	17, 760	12, 908	3, 582	1, 955	2, 044	63, 710
June.....	18, 346	26, 361	3, 752	1, 732	1, 838	75, 756
July.....	52, 996	14, 724	3, 046	1, 547	1, 676	67, 282
August.....	78, 909	17, 023	3, 041	2, 075	2, 209	57, 446
September.....	79, 962	21, 259	2, 565	1, 988	2, 848	42, 234
October.....	71, 696	19, 132	3, 039	2, 635	3, 587	38, 301

The October movement of wheat continued very heavy. The movement of corn was also moderately heavy though much less than during same month last year.

Market receipts of hogs and cattle continued slightly below recent years. Sheep movement heavy.

Butter receipts about like last year but below October receipts of the two years previous.

THE TREND OF EXPORT MOVEMENT

Compiled from the Department of Commerce reports by division of statistical research of this bureau.

Year and month	Wheat, ¹ including flour	Tobacco (leaf)	Bacon, ² hams, and shoulders	Lard	Total ³ meats	Cot- ton, ⁴ running bales
Total—	1,000 bushels	1,000 pounds	1,000 pounds	1,000 pounds	1,000 pounds	1,000 bales
1920-----	311, 601	467, 662	821, 922	612, 250	1, 043, 500	6, 111
1921-----	359, 021	515, 353	647, 680	868, 942	786, 280	6, 385
1922-----	235, 307	430, 908	631, 452	766, 950	733, 832	6, 015
1923-----	175, 190	474, 500	828, 890	1, 035, 382	958, 472	5, 224
1924-----	241, 454	546, 555	637, 980	944, 095	729, 832	6, 653
1925-----	138, 784	468, 471	467, 459	688, 829	547, 361	8, 362
1926-----	193, 861	478, 769	351, 591	698, 971	428, 613	8, 916
October—						
1920-----	43, 355	39, 394	58, 627	54, 174	70, 078	582
1921-----	25, 522	43, 465	35, 711	56, 886	44, 059	866
1922-----	25, 379	58, 353	50, 940	66, 333	60, 651	797
1923-----	19, 071	44, 948	72, 341	76, 378	83, 183	770
1924-----	53, 834	56, 227	45, 365	60, 813	52, 817	942
1925-----	9, 113	52, 211	30, 706	44, 745	37, 071	1, 414
1926						
July-----	19, 811	29, 760	22, 457	45, 873	28, 221	356
August-----	35, 479	26, 263	29, 097	54, 273	34, 755	385
September-----	31, 031	38, 319	26, 927	61, 577	33, 843	789
October-----	24, 098	53, 129	23, 873	46, 988	30, 384	1, 359
November-----	20, 545	49, 136	22, 384	43, 488	30, 177	1, 475
December-----	15, 301	50, 375	23, 503	62, 690	28, 746	1, 504
1927						
January-----	12, 821	66, 337	20, 597	59, 842	25, 748	1, 074
February-----	8, 997	46, 840	19, 476	49, 884	24, 313	979
March-----	9, 183	41, 669	18, 108	53, 040	23, 754	1, 084
April-----	16, 039	35, 041	17, 844	67, 345	23, 930	825
May-----	14, 123	40, 376	21, 634	64, 418	27, 035	612
June-----	11, 515	33, 053	25, 293	66, 404	30, 924	468
July-----	12, 100	28, 229	24, 040	46, 972	30, 043	372
August-----	28, 347	27, 817	16, 841	50, 816	23, 123	322
September-----	39, 765	38, 394	23, 952	59, 736	30, 213	620
October-----	36, 347	47, 044	16, 322	50, 355	21, 418	1, 113

¹ Wheat flour is converted on a basis of 4.7 bushels of grain equal 1 barrel of flour.

² Includes Cumberland and Wiltshire sides.

³ Includes fresh, canned, and pickled beef, bacon, hams, and shoulders; fresh canned, and pickled pork; fresh mutton and lamb.

⁴ Excludes linters.

TREND OF DAIRY PRODUCTION

[Million pounds, 000,000 omitted]

PRODUCTION

	October			January to October, inclusive		
	1927	1926	Per cent change	1927	1926	Per cent change
Creamery butter-----	105	103	+1.5	1,293	1,272	+1.6
Farm butter-----	45	46	-1.4	524	538	-2.6
Total butter-----	150	149	+0.6	1,817	1,810	+0.3
Cheese-----	33	31	+7.0	360	383	-6.2
Condensed and evaporated milk-----	112	109	+2.9	1,723	1,546	+11.5
Total milk equivalent-----	3,755	3,706	+1.3	46,064	45,727	+0.7

APPARENT CONSUMPTION

[Including production, changes in stocks, and net imports or exports]

Butter-----	178	173	+7.0	1,729	1,738	-0.5
Cheese-----	49	46	+5.8	415	414	+0.1
Condensed and evaporated milk-----	129	135	-4.6	1,482	1,433	+3.4
Total milk equivalent-----	4,556	4,443	+2.5	43,564	43,659	-0.2

T. R. PIRTLE,
Division of Dairy and Poultry Products, B. A. E.

COLD STORAGE SITUATION

[November 1 holdings (shows nearest million; i. e., 000,000 omitted)]

Commodity	5-year average	Year ago	Month ago	Nov. 1, 1927
Creamery butter-----pounds--	96	101	147	119
American cheese-----do-----	62	72	65	59
Egg cases-----cases-----	6	6	8	5
Total poultry-----pounds--	49	65	43	52
Total beef-----do-----	61	61	36	44
Total pork-----do-----	421	406	609	468
Lard-----do-----	43	72	118	72
Lamb and mutton-----do-----	3	3	2	2.9
Total meats-----do-----	537	522	705	564

THE DAIRY SITUATION

As was suggested last month, changes in the butter situation this fall have been a surprise to many, on account of developments having occurred which were not generally anticipated earlier in the year. The record stocks in cold-storage warehouses on September 1 were, at that time, the cause of considerable concern to some operators who seemed to foresee unfavorable conditions resulting from the feeding back into consumptive channels of this unusual amount, even if done with extreme care. But the fact is that during the period from September 1 to November 1 these stocks were reduced from 163,000,000 pounds to 118,000,000 pounds, and the September 1 surplus over last year of 25,000,000 pounds was cut down to 18,000,000 pounds by November 1. The reduction in stocks during this period was 45,000,000 pounds compared with a five-year average reduction of 31,000,000 pounds. Furthermore, during most of this period prices generally followed the usual fall tendency and were actually higher than those of last year until the first of this month. The New York price of 92-score butter at this writing (November 25) is 51½ cents, and the average for the month will probably approximate 49 cents, compared with 50½ cents last November. In the matter of prices, however, it is to be noted that the spread between high quality butter and the lower grades has further widened, the difference between 92 score and 87 score, for example, now being 10½ cents, whereas the difference at the close of last month was but 7 cents. During the summer months, the difference was only about 4 to 5 cents. This change reflects the scarcity of fancy butter and emphasizes the favorable position occupied by manufacturers who are producing fancy goods.

In certain sections, butter production has been running considerably above last year, although on the whole the change is but a slight increase. Estimated production for October shows an increase of 1.5 per cent over last year. In some of the northern States of the Middle West there were greater increases, particularly in Minnesota, Iowa, and Illinois, but rather large reductions occurred in the Kansas-Nebraska-Missouri territory. Wisconsin butter production was little different than that of last year, although cheese production has been considerably heavier, doubtless stimulated by the relatively high prices that have prevailed until recently. Cheese prices are still a cent above what they were a year ago. Prior to the sharp break which occurred the first of this month, they had averaged throughout this entire year 3 cents higher than in 1926.

Domestic and Canadian cheese markets got out of balance with each other some weeks ago with the result that some imports resulted. This cheese came in over the tariff wall, which is a minimum of 5 cents per pound, and up to not less than 25 per cent ad valorem. The November break in domestic prices, however, makes further imports unlikely, at least for the moment. Cheese stocks in cold storage are approximately 15 per cent less than a year ago.

Nothing of unusual interest has developed in canned-milk or fluid-milk markets. Stocks of condensed and evaporated are still high, but the average reduction occurred last month. November 1 stocks were 256,500,000 pounds, compared with 174,908,000 pounds November 1, 1926.

L. M. DAVIS,
Division of Dairy and Poultry Products, B. A. E.

THE EGG AND POULTRY MARKET SITUATION

November is the month of lowest egg production and of lowest receipts at the markets. While receipts so far during the month have not differed much from last year, they are showing a tendency to increase. The market is still firm, but the time is fast approaching when increased production will cause it to weaken. There are evidences of nervousness on the part of dealers at present high prices, and at the first sign of any general increase in receipts the market will go sharply lower. In some quarters this is expected soon, but colder weather may delay it.

The percentage of strictly fresh top-grade eggs has been scarce, and demand has exceeded supply, with the market ruling firm and prices advancing. Receipts of near-by white eggs and Pacific coast whites increased to the point where the market for them weakened and prices declined rather sharply.

The storage-egg situation has shown decided improvement. At the beginning of November holdings were 400,000 cases less than last year, an increase in the shortage over last year of more than 300,000 cases having developed during October. Storage reductions during November appear to have kept pace fully with those of a year ago, and if this rate is continued, holdings should be reduced by January 1 to a considerably lower level than has prevailed for a number of years past. Holdings of frozen eggs were more than 17,000,000 pounds greater on November 1, but this surplus is being steadily reduced each month. Storage eggs have moved satisfactorily at increased prices with real fancy stock in the best demand and medium and undergrades inclined to drag. All egg prices are below last year's price levels.

The poultry situation has also improved statistically. Receipts of dressed stock continue to run somewhat lighter, and storage stocks on the 1st of the month were over 12,000,000 pounds lighter than last year. All classes shared in this decrease except turkeys, which were above the 1926 holdings but pretty well in line with those of other recent years. During November the movement of dressed poultry into storage appears to have continued at a less rapid rate. Fowls weakened early in November and prices declined, but the approaching holiday stimulated speculative demand and with increased buying the market became firmer again.

The turkey market was the most important feature of the market during the month. Warm weather caused the early trade to be slow, but cooler weather as the holiday approached increased demand, and prices advanced. Toward the close the market again weakened and prices were somewhat lower. Quality was only fair, and really fancy stock was in demand. In general, the market cleaned up satisfactorily on all except the poor stock.

ROB R. SLOCUM,
Division of Dairy and Poultry Products, B. A. E.

THE CATTLE-FEEDING SITUATION

Conditions about November 1 still indicated that cattle feeding the coming winter will be considerably less than last winter, both in the Corn Belt and in the Western States.

While shipments of stocker and feeder cattle, inspected at stock yards, into the Corn Belt States showed a seasonal increase in October, they were smaller than in October, 1926, and the smallest for the month since 1920. The total movement for the four months, July to October this year, was 20 per cent below the same period last year, 33 per cent below the average for the preceding 5 years, and the smallest in 10 years. Some increase over last year in the direct movement of feeders (not passing through stockyards) from the Western States to feed lots is reported in some Corn Belt States, but for the whole area this movement seems to be less than last year.

Reports from nearly all of the Western States indicate a material decrease in cattle feeding this winter from last. Feed conditions in most of these States this year have been unusually good and a larger than usual proportion of the cattle this fall were in slaughter condition. This tended to further decrease the available supply of feeders which was relatively small, due to decreased cattle numbers in these States.

The improved outlook for corn resulted in a keen demand for unfinished cattle all through October, and the prices of such cattle continued to advance and reached the highest point of the season toward the end of the month. While prices for heavy feeders continued at a substantial premium over light and medium weights, the proportion of such cattle in the total shipments was below October in both 1925 and 1926. For the period July to October the proportion of feeders weighing over 900 pounds shipped from four leading feeder-cattle markets was 13.4 per cent of the total stocker and feeder shipments from these markets compared with 17.5 per cent in 1926 and 19.2 per cent in 1925. In actual head the number this year was more than 40 per cent below the average of 1925 and 1926. On the other hand, the proportion of stockers under 700 pounds and of calves this year was larger than in either of the two previous years.

Summarizing the present situation, indications are for a material decrease in cattle feeding in the Corn Belt States east of the Mississippi, a considerable decrease in those States between the Mississippi and Missouri, possibly a small increase in those States west of the Missouri, some decrease in the Rocky Mountain States and Texas, and a material decrease in the States west of the Continental Divide.—(From report of this bureau, November 11, 1927.)

FACTORS AFFECTING FED CATTLE PRICES

Cattle prices during the last two decades have been characterized by a marked upward trend and during the period of the World War by an extreme bulge. Prices of good grade beef steers at Chicago, those which represent approximately the average of grain-fed cattle, ranged from \$5.14 per 100 pounds in December, 1907, to \$18.58 in March, 1919. Following this high point, prices dropped to \$8.09 in June, 1921, from which there has been an advance to \$14.49 in October of this year. Price variations of such magnitude are of great significance to the cattle industry and their causes are of vital concern to the cattle producer and particularly the cattle feeder.

In studying the accompanying chart which indicates the principal factors causing variations in prices of fed cattle, it is essential to know that the upward trend in cattle prices and the high prices during the World War were largely caused by the declining value of the dollar, or, in other words, were the result of the higher general price level for all commodities. This tendency for cattle prices to advance or decline with changes in the general price level for all commodities has caused some of the most striking fluctuations and has further obscured the true relationship between prices and other important factors.

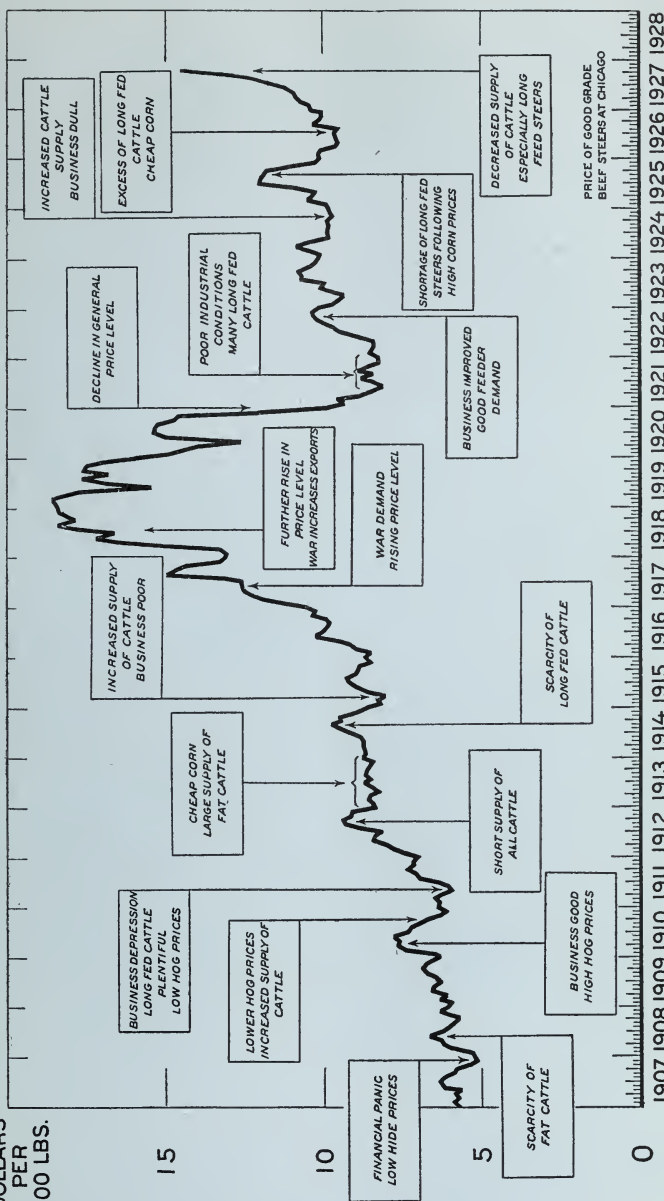
Market supplies largely control the season-to-season variations in prices. The total number of fed cattle marketed is the most important factor. The effect of this on the long-time variations in prices is also particularly significant but is obscured almost entirely by the fluctuations caused by the general price level. Second in importance is the proportion of the better grades of fed cattle in the market supply, or the general character of the supply, especially as to the degree of fatness. The price of corn largely governs the degree to which cattle are finished. High corn prices were largely responsible for the shortage of long-fed steers in the summer and fall of 1925. The reverse situation was true in 1926 when there was an excessive supply of heavy finished steers. Further variations in the character of supplies result from feeders shifting from light to heavy cattle and vice versa.

Demand factors are rather numerous but as a whole cause less direct variation in prices than the supply factors. Apparently the most significant demand factor is the competitive effect of pork prices on the demand for beef, which causes cattle prices to fluctuate somewhat in line with hog prices. Industrial activity or business conditions also influence the purchasing ability of consumers. This is reflected in the price they are willing to pay for the market supply of beef. Export demand for American beef at times has been an important factor affecting cattle prices. This demand was particularly strong prior to 1908 and during the World War. In recent years the quantity exported has been negligible. Increased population apparently has increased the domestic demand and accounted for some of the upward trend in prices which was not caused by the effect of general price level.

Another demand factor of importance is the current demand for feeding cattle. Hide prices have some influence on prices of fed cattle, but this effect is most noticeable in the lower grades of cattle.

H. M. CONWAY,
Marketing Livestock, Meats, and Wool Division, B. A. E.

FACTORS AFFECTING THE PRICE OF "GOOD" BEEF STEERS

DOLLARS
PER
100 LBS.

U.S. DEPARTMENT OF AGRICULTURE

BUREAU OF AGRICULTURAL ECONOMICS

THE SITUATION IN VARIOUS KEY STATES

IOWA

This has been an eventful season in Iowa agriculture. Early season indications did not give a bright outlook but final returns reported a favorable balance in the industry. Of the 394,000,000 bushels of corn produced about 95,000,000 bushels should be charged against the crop as unprofitable production. This amount was too low in quality to be fit for merchantable channels, or for profitable feeding. The small-grain crop was less than normal.

Cattle feeders will not handle a normal business this winter. Uncertainty of the corn crop in the early fall caused feeders to stay from the markets and later, when corn improved, the high prices for good steers had considerable effect against a replenishing of feed lots. The late winter market will receive more Iowa home-grown, beef-fed steers than for several years and native steers, grazed in cornfields, are now finishing as good Christmas beef.

Sheep feeders have held their feed lots substantially below capacity, about one-fourth below last winter's output. Farm feeding operations have been on a small-flock basis, speculative feeding being at a minimum. A year ago lamb feeding was important in nearly every county of the State, the distribution this season being confined to less than one-half of the counties.

Leaders of farm organizations continue to stress the question of agricultural legislation but active farmers, in many sections, seem to be giving more thought to community organization and stabilized marketing through cooperative plans as fundamental groundwork for directing them toward future legislative policies. They have faith in their own endeavors and in the land which they till. They have attested to this by increasing the numbers of farms in the State, total acreage in farms, and in the net acreage of cultivated crops. As compared with 1925, the total acreage in farms in 1926 was 100.2 per cent; the number of farms was 100.4 per cent; and the net acreage in cultivated crops was 100.1 per cent. Also a slight decrease in the average acreage of farms of the State indicates a return from the large farming operations forced by war-time conditions to more conservative methods.

A more balanced condition in the financial situation exists than a year ago. Bankers are giving satisfactory terms for agricultural purposes. Cattle feeding is being financed by banks which have regained both their own footing and the confidence of their patrons.

It is common opinion that Iowa land valuations have reached the low level. Sales of farms have been limited largely to sacrificial transactions, establishing false valuations for investment lands. A state-wide organization was recently formed to remove distressed farms from the market and to assist in reestablishing faith in Iowa farm land and a true market value for salable farms. Reports indicate a general approval of this organization and its methods by economists and by capital interested in Iowa as a field for safe land investments.

LESLIE M. CARL,
State Statistician, B. A. E.

ILLINOIS

The 1927 season has been a fairly favorable year for the important livestock industry, but with a few outstanding exceptions such as hay, this has not been a favorable year for crops. Generally speaking, the unfavorable factors have tended to outweigh the favorable factors in the Illinois agricultural situation during the past two years. In many ways the two seasons have been quite similar, in that the livestock industry has continued to represent the strength in the agricultural situation, while both seasons have been adverse to favorable production and quality of most crops.

Total livestock sales at terminal markets for the 10-month period ending November 1 were about \$132,000,000, or practically the same as in 1926. Livestock receipts at terminal markets show an increase of 2 per cent for hogs, 11 per cent for sheep, and a decrease of 4 per cent in cattle receipts compared with a like period last year. The gross farm value of 15 principal crops at \$361,000,000 is about 7 per cent less than in 1926.

Hog and sheep numbers on Illinois farms are somewhat larger and cattle numbers slightly less than a year ago. All classes of livestock are reported in good condition. Disease losses are much less than a year ago. The dairy industry has continued profitable, but returns from poultry have been less favorable than in 1926. Cattle and sheep feeding this fall and winter will be considerably less than a year ago, due to high price and scarcity of feeders with reduced corn supplies.

The total acreage cropped was about 2 per cent less than in 1926, due to adversely late and wet planting season. Reduced acreages of corn and oats were offset to quite an extent by heavily increased acreages of tame hay, spring wheat, barley, soy beans, and cowpeas. Hay production was the most abundant in years and stands out as the best crop in the State. All other major crops range from fair to poor. Corn, though below average yield and quality, is a far better crop than earlier expected throughout the State. Record-breaking warm weather in September and early October not only saved the corn crop, but favored other late crops.

Soy beans, cowpeas, white and sweet potatoes, buckwheat, and timothy seed yields are up to average or better. Small grains up to average in the more northern counties but below average elsewhere. Barley, spring wheat, cotton, redtop, and cloverseed yields nearly up to average. Winter wheat, oats, rye, broomcorn, and fruits were short crops with varying quality. Spring and summer pastures were favorable, but fall pastures were short in the north.

Purchases by farmers increased somewhat in the line of labor-saving machinery such as corn pickers, combines, larger harvesting, and cultivating units, but the volume of purchases in nearly all other lines is less than last year, due to forced economy on many farms this season. Farm labor and credit conditions are satisfactory as a rule. Land values have been fairly well maintained with improvement in the real estate demand and hardening of values reported in some localities.

Fall weather has been nearly ideal for securing crops and advancing all farm work. Plowed acreage is above average. Corn is drying out rapidly and husking is well advanced. Conditions are generally favorable for fall wheat on a greatly increased acreage.

A. J. SURRATT,
State Statistician, B. A. E.

KANSAS

This has been a year of high lights and dark shadows in Kansas agriculture. A topsy-turvy year. A summer drought with scorching winds in May. Spring deluges of rain and swollen streams in mid-summer. A prolonged and highly heated Indian summer in the autumn. And out of all this contrary weather material emerged one of the best years from a production standpoint that the State has experienced in several seasons.

For shadows we had a wheat crop of high early promise that dwindled down to less than average; repeated floods that drowned the crops and desolated the rich bottom lands along all the streams in southeastern and central Kansas; a cholera outbreak in late summer and early autumn that took heavy toll of the spring pig crop and cost a vast outlay of cash for serum protection.

For lights we have a corn crop that came out of the obscurity of a doubtful spring into the summer of a glorious promise and an autumn of fullest fruition; a large acreage of milo, kafir, and feterita that struggled to start but came into its birthright in the glory of long Indian summer; a hay and forage crop such as makes all the barn storage look like tiny attics and dots every meadow with cones and ricks of magnificent proportions. For the highest light of all, Kansas had a real pasture season with the kind and quantity of grass that marbles the lean with fat and that glorified good cattle for the river markets at prices that weekly established new peace-time records.

November finds Kansas farmers with a new and larger wheat acreage of fair promise in the east half but weak and hesitating for lack of moisture in the west; cribs rapidly filling with high quality corn; hay and forage supplies much more than ample; and a modest but fairly adequate livestock population ready to carry the profits to future markets on the hoof.

EDWARD C. PAXTON,
State Statistician, B. A. E.

MICHIGAN

All of Michigan's grain crops except corn were above normal in yield. Prices were generally higher and the value of these crops with the exception of corn was greater than last year. As a result, farmers are in a better financial condition and frame of mind in the main crop sections than they were one year ago.

Hay yielded well and exceeded the 1926 production in volume, but the price is considerably lower and the crop is worth about 12,000,000 dollars less than last year's. The bean crop was below average in amount and considerably less than that of last year, but the quality is much better and the net hand-picked crop is fully as large or larger. The value is about 2,000,000 dollars less. Potato growers have suffered severely because of a light crop and low price. The crop is only about 60 per cent of normal, whereas the United States production is above average. The Michigan crop is worth a little over 19,000,000 dollars as compared with 35,856,000 last year. Apples were a light crop and of poor quality. The other fruits were generally light but of fairly good quality. The cherry crop was almost a failure in the sections that normally produce the largest volume. As potatoes are a leading cash crop in the fruit sections of the western counties, the farm situation there is worse than in many years.

The total value of all crops is about 10 per cent less than one year ago and the lowest in several years, hence the improved situation in main crop sections seems to be more than offset by the reduced income of farmers in the specialized agricultural districts.

Livestock production appears to be holding steadily, but the shortage and high price of corn are discouraging livestock feeders and the shipments into the State of stock for feeding purposes are much less than in recent years. The poultry industry has increased rapidly in recent years, but prices have declined during the past year. Dairying is increasing slowly and steadily and is the most stable source of farm income in the State.

Summarizing the situation as it appears to-day, farmers in the eastern and south-central counties are mostly in better economic condition than at any time in the past five years. In the remaining districts, conditions are variable. Farmers who depended mainly on fruits, beans, and potatoes for their cash income are in a more or less depressed condition as a result of the poor returns received, while those producing diversified crops or engaged in dairying and livestock raising have fared much better.

V. H. CHURCH,
State Statistician, B. A. E.

WISCONSIN

All things considered, the agricultural situation for 1927 appears to be a fairly favorable one in Wisconsin. About half of our farm income is received from the sale of milk at the farm, and the figures for the first 10 months of the year show that the farm milk price on an average was 10.6 per cent above 1926 and 11.7 per cent above the same period for 1925. The prices of dairy products have been stable, cheese prices holding especially well. Figures for the entire year will show that a very favorable spread between 1927 Wisconsin farm milk prices as compared with 1926 is assured.

While the corn crop was somewhat below last year, and the silage yields were less heavy than normally, the feed situation is generally good in the State. Wisconsin never had so large a hay crop, and most of it was harvested under favorable weather conditions, thus insuring high quality.

Except the month of August and the first part of September, when a period of extreme drought prevailed in southern Wisconsin, pastures have been good throughout the year. The value of sweet clover as a pasture crop was demonstrated during the dry period, for wherever this crop was available, farmers report satisfactory pasture, even under the extremely dry conditions.

Shipments of cattle to stockyards so far have been a little lighter than last year, but shipments of hogs show an increase. The activities on the part of feeders seem to be decidedly below last year. The high price of corn during the summer and early fall, and the general uncertainty of the situation, played a large part in this.

Crops in the State are making varied returns. A decided shift in acreage to wheat and barley brought noticeable increases in the production of these crops, but a decrease resulted in corn and oats. Potatoes, our leading cash crop, produced very low yields and are low in price. The income from this source will be decidedly below the last two years. The tobacco crop made light yields, but prices promise to be favorable. The canning pea crop was short, and prices are accordingly more favorable.

Spring weather was cold with excessive rains, but a period of splendid growing weather in June did much to offset this. Rainfall and summer weather were generally favorable, except in August when the southern half of the State was very dry. The fall, though wet in the beginning, has been very mild and favorable to harvesting, fall plowing, and winter wheat and rye. New seedings of clover look very well, considering the August drought.

WALTER H. EBLING,
State Statistician, B. A. E.

SOUTH DAKOTA

General conditions are above average in all sections of the State. Production of all important crops was above the 5-year average and materially above last year's production. The contrast between the two years is made more noticeable by the fact that last year was considerably below average because of drought. With the exception of some rust damage to wheat and oats, there has been no serious injury to any of the major crops this year.

Rust developed in the eastern and northeastern sections of the State during the latter part of July. The early-sown grains were so far advanced by this time that they suffered little damage, but the yield of late-sown wheat and oats was reduced.

Favorable fall weather resulted in improvement in all late-maturing crops. The present corn crop is second only to the record crop of 1923 and shows an increase of 69 per cent or 55,210,000 bushels over the short crop last year, when there was little or no surplus of corn in the State as a whole and some sections found it necessary to import corn for seed and feeding operations.

Conditions in the range area are very promising. Livestock are going into the winter in excellent condition and feed supplies are more than ample, although the quality of hay was somewhat damaged by early frost. Ranges are slightly understocked as a result of heavy shipments last year and there is considerable tendency to hold breeding stock. Shipments were lighter than usual this fall, but the stock was in good flesh and brought satisfactory prices. More lambs are being fed in the western part of the State this year but fewer in the eastern part. There has been good demand for feeding stock of all kinds, but supplies are relatively scarce. The spring pig crop in South Dakota was 86.4 per cent as large in 1927 as in 1926. Supplies of livestock in other than range areas are also below last year, and pigs have been going to market lighter than usual, according to reports.

Two reasons may be advanced for the decrease in livestock numbers in 1927. One is the shortage of feed crops last year and the second the poor financial condition of the farmers. Consequently, there was an increase in the proportion of the total acreage planted to cash crops. In the first place, an expansion of feed crops was not necessary in view of the decreased numbers of livestock, and secondly, many farmers needed to get a cash return as soon as possible.

JOSEPH L. ORR,
State Statistician, B. A. E.

MARYLAND

The crop situation is extremely spotted this year, but viewed by and large the State is fairly well up to average.

Corn in spite of all the handicaps it passed through made a much better showing than was expected. The yield averaged 41 bushels per acre, but production was more than 1,250,000 bushels short of average because of the reduced acreage. The grade averaged only poor to fair.

Wheat production was 25 per cent below a year ago, and 10 per cent less than the average. Yields were short. Stinking smut—a disease which appears to be gaining headway—was present in a large number of the fields. Approximately 180,000 bushels, it is reported, will undergo treatment before being put into the ground for the 1928 crop.

Pastures, hay, and clover as well as other forage crops made better than average yields, on an increased acreage. A record crop of hay was harvested. The abundance of hay will offset the corn shortage to some extent.

Potato production was large. Farmers' reports indicate that early potatoes, on an increased acreage, yielded from 45 to 60 barrels per acre; and that early potato shipments exceeded those of 1926 by 1,318 cars. The crop turned out profitably to the growers. Prices were well maintained during the shipping season.

Sweet potatoes yielded less than last year, but better than the 10-year average.

Tobacco made a good yield, according to the growers. Production is estimated to be two millions of pounds above the five-year average, though short of 1926 production.

Sugar corn for manufacture acreage was substantially reduced. Yields were about 50 per cent of normal. Some canners say they cut less than half the usual number of cases to the acre.

Tomatoes for canning made good yields, but the acreage was curtailed.

Orchard fruits were 35 per cent short of their five-year average, and less than half of the 1926 production.

Fruit and vegetable shipments showed an increase of 16 per cent. Down to November 12 shipments from the current crop season totaled 11,849 carloads against 10,255 same period crop season of 1926.

Livestock because of the abundance of hay and foreage is doing exceptionally well.

The farm labor problem is growing easier. November 1 supply expressed as a per cent of demand averaged 97 against 94 preceding month, and 82 one year ago.

JOHN S. DENEÉ,
State Statistician, B. A. E.